

**Before the State of South Carolina  
Department of Insurance**

In the Matter of:                      SCDOI File Number  
2004-121098

**Amended Consent Order  
Imposing Administrative Penalty**

Charles R. May, IV  
30 Somerton Place  
Columbia, South Carolina 29209

This Amended Consent Order replaces and supersedes the Order entered by error on May 3, 2004, between the State of South Carolina Department of Insurance and Charles R. May IV, a licensed South Carolina insurance producer, as set forth below.

Upon review of this matter, I hereby find as fact, that Charles R. May, IV is licensed to do business as a resident insurance producer within the State of South Carolina for Crawford & Company. At the direction and instruction of Crawford & Company, Mr. May hired Doyle Wayne McDaniel, an unlicensed adjuster in South Carolina, on or about March 2, 2004 to conduct Physical Damage Appraisals in South Carolina. Prior to Mr. May's retention of McDaniel, Crawford & Company represented to Mr. May that McDaniel was a resident of Missouri but had a Texas license, which had previously expired.

McDaniel's Texas license, however, was current. Since South Carolina and Texas have a reciprocal arrangement, Mr. May would have submitted a Non-Resident Application for proper licensure. However, because Mr. May was informed by Crawford & Company that McDaniel was a Missouri adjuster and that his Texas license had expired, Mr. May applied for a temporary license on behalf of McDaniel. Prior to making application, Mr. May attempted to confirm this procedure by telephoning representatives of the South Carolina Department of Insurance and by outlining his plan to apply for a temporary license for McDaniel in a letter to the Department dated March 1, 2004.

Mr. May admits the allegation that he hired an unlicensed adjuster and contends that the events at issue resulted from inadvertence and oversight and not from any intent to avoid the requirements of the Law. Nevertheless, these actions can ultimately lead to the revocation of Mr. May's license to transact the business of insurance as a producer in South Carolina, following a public hearing before the South Carolina Administrative Law Court, pursuant to S.C. Code Ann. Section 38-43-130.

Prior to the initiation of any administrative proceedings by the Department against him, the parties agreed to submit the entire matter to me, along with their specific recommendation, for my summary decision, rather than to proceed toward a formal administrative hearing. The

consensual recommendation was that Charles May would immediately pay an administrative penalty in the amount of \$1,000.00.

After a thorough review of the record, carefully considering the recommendation of the parties, and pursuant to my findings of fact, I hereby conclude as a matter of law, that Charles R. May has violated Section 38-43-130(1) of the South Carolina Code by providing incorrect information in a license application, despite Mr. May's several attempts to confirm the action he intended to undertake. As a result, I can now take administrative disciplinary action against his producer's license. However, under the discretionary authority provided to me by the General Assembly within S.C. Code Ann. § 38-2-10 (2) (Supp. 2002) and carefully considering the recommendation of the parties, I hereby impose against Mr. May an administrative penalty in the amount of \$1,000.00 dollars. That fine must be paid within ten days of the date of my signature upon this Consent Order. If that fine is not timely paid, his resident insurance producer's license will be immediately revoked without any further disciplinary proceedings.

This administrative penalty has been reached by the parties as a result of negotiation and compromise, and it is made in consideration of Charles May's assurance that in the future he will fully comply with the Insurance Laws of South Carolina.

This penalty includes all expenses related to the investigation of this matter as provided in § 38-13-70 of the South Carolina Code of Administrative Laws. The parties expressly agree and understand payment of the agreed-upon penalty constitutes full accord and satisfaction of this matter. By his signature upon this consent order, Mr. May acknowledges this administrative order as a public record subject to the disclosure requirements of the State of South Carolina's Freedom of Information Act, S.C. Code Ann. §§ 30-4-10, et seq. (1991 and Supp. 2002).

Nothing contained within this administrative order should be construed to limit, or to deprive any person of any private right of action under the law. Nothing contained within this administrative order should be construed to limit, in any manner, the criminal jurisdiction of any law enforcement officer or judicial officer. Nothing contained within this administrative order should be construed to limit the statutory duty, pursuant to S.C. Code Ann. § 38-3-110 (4) (Supp.2002) of the Director of Insurance, exercised either directly or through the Department of Insurance, to "report to the Attorney General or other appropriate law enforcement officials criminal violations of the laws relative to the business of insurance or the provisions of this title which he considers necessary to report."

It is therefore ordered that Charles R. May shall, within ten days of the date of my

signature on this consent order, pay through the South Carolina Department of Insurance an administrative penalty in the amount of \$1,000.00 dollars.

It is further ordered that a copy of this consent order be immediately transmitted to the National Association of Insurance Commissioners for distribution to its member states and a copy be placed in Mr. May's file.

This consent order becomes effective as of the date of my signature below, nunc pro tunc (i.e., retroactive) to May 18, 2004.

May 15<sup>th</sup>, 2006  
Columbia, South Carolina

  
Eleanor Kitzman  
Director

I CONSENT:

  
\_\_\_\_\_  
Signature

Charles R. May, IV  
\_\_\_\_\_  
Printed Name

\_\_\_\_\_

Title

Charles R. May, IV  
30 Somerton Place  
Columbia, South Carolina 29209

Dated this 15<sup>th</sup> day of May,  
2006.